student count at any school are augmented as the result of the application of small school supplements or Alaskan school supplements.

## §39.3 General provisions.

(a) All funds appropriated by the Congress for the support and administration of Bureau operated or contracted elementary and secondary educational purposes and programs shall be allocated in accordance with, and be distributed through, the Indian School Equalization Program, unless a specific amount of funds are added or reduced for a particular class of schools through the budget and appropriations process.

(b) Each expenditure of funds authorized in part 39 is without exception subject to the availability of funds.

## Subpart B—The Indian School Equalization Formula

## §39.10 Establishment of the formula.

There is hereby established the Indian School Equalization Formula (ISEF). Funds for the instruction and residential care of Indian children shall be earned as an entitlement by each local school according to a weighted student unit formula. The funds allocated through the formula shall be computed as follows:

(a) The basic instructional average daily membership (ADM) shall be counted at each school location as provided for in subpart C of this part. From the application of ratios or weights as provided in these rules a weighted student unit (WSU) value for each school location is derived by multiplying the student count for each program area by the weights.

(b) If the school is a boarding school or a dormitory, the residential students will produce program units which will, by the application of weights, produce additional WSU's.

(c) The ADM count of eligible small schools or dormitories may generate additional unit supplements.

(d) All Alaskan schools are eligible under the formula to generate supplemental units.

(e) The total weighted student unit count for each school location is then multiplied by a base unit value to derive the estimated dollar entitlement to each school(s).

The total amount is made available to each school(s), under the rules related to administrative provisions provided in subparts C and D of this part.

## § 39.11 Definitions.

Assistance to approved school(s) under this subpart is subject to the definitions established in §39.2 and to the following definitions for determining student counts in the various weighted areas. As used in the subpart, the term:

- (a) Base or base unit means both the weight or ratio of 1.0 and the dollar value annually established for that weight or ratio which represents students in grades 4 through 8 in a typical instructional program.
- (b) Basic program means the instructional program provided all students at any age level exclusive of any supplemental programs which are not provided to all students in day or boarding schools.
- (c) Grade or Grade Level, followed in most cases by K or a number, means a classroom grouping ordinarily determined by student age and successful completion of a criterion number of years of previous schoolwork. The use of this term does not preclude ISEP funding of programs in which instruction is non-graded or individualized, or which otherwise depart from gradelevel school structure. For purposes of funding under the ISEP, students in such programs shall be counted as in the grade level to which they would ordinarily be assigned based on their chronological age and number of years of schooling completed.
- (d) Grades 1-3 means a weighted program for a student who is present during the count week (see §39.30(b)) in grades 1 through 3 who is at least 6 years old by December 31 of the fall of the school year during which the count occurs and is a member of an educational program approved by the board which is conducted at least six gross hours daily during at least 180 days per school year. Gross hours means from the start of the school day to the end of the school day including all activities.